

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

STARRED QUESTION NO:36
ANSWERED ON:20.11.2002
MERGER OF MTNL AND BSNL
PRABHA RAU;UMMAREDDY VENKATESWARLU

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Government propose to merge Mahanagar Telephone Nigam Limited (MTNL) and Bharat Sanchar Nigam Limited (BSNL);
- (b) if so, the details thereof;
- (c) whether the foreign investors have been consulted in the matter;
- (d) if so, the reaction of these investors; and
- (e) the manner in which the proposed merger is likely to server the customers better and the benefits to be derived by the Government therefrom?

Answer

THE MINISTER FOR PARLIAMENTARY AFFAIRS AND COMMUNICATIONS & INFORMATION TECHNOLOGY (SHRI P MAHAJAN)

- (a), (b) & (e): An internal study has been undertaken (which is in its preliminary stages), on the options available to strengthen both BSNL and MTNL and to ensure that these companies are well placed to deal with the emerging competition from private sector as well as to maximize the value for all stake holders.
- (c) & (d): No, Sir. Do not arise in view of above.